



บริษัท อาร์ ซี แอล จำกัด (มหาชน)
Regional Container Lines Public Company Limited

PRESS RELEASE

FINANCIAL RESULTS AS AT 31 MARCH 2005

Despite the fact that quarter one was usually the low season for container transportation in Asia, Regional Container Lines Public Company Limited had recorded another strong liftings in Q105. Owing to the continuous growth in global and Asian trade, the first quarter liftings for the Group increased 13% year-on-year to 531,292 TEUs. With freight rates holding up since Q404, the Net Profit increased 282% when compared to same quarter last year and stood at THB1,302 million. The turnover for the first quarter before exchange difference was up 45% at THB5,001 million compared to THB3,455 million for the same quarter in 2004.

The Cost of Freight and Operation in first quarter 2005 was THB3,344 million which represented an increase of 20%, year-on-year. This increase was very much in line with improved liftings, escalating external time charter expenses and bunker supplies. In this quarter, the Group took delivery of 2 new vessels which benefited the Group in containing the external charter expenses further. The Group would be expecting another 4 new vessels in the next 2 quarters. Due to the current exorbitant fuel costs, the Group had followed the lead from other Inter-Asia Operators in adjusting the Bunker Adjustment Factor in April.

To be in line with the depreciation policy adopted since the last quarter of 2004 for vessels over 20 years old, the Group had decided to extend this policy to all other vessels in its fleet, with effect from 2005 onwards. In the revised policy, the estimated vessel life would be changed from 20 years to 25 years, with a lower residual value assumed. Under this new policy, an additional depreciation amount of THB26.7 million was provided for Q105.

As regional currencies took a surprise dip against U.S. Dollar in March 2005, the Group recorded a Loss on Exchange of THB25.7 million in first quarter 2005 when compared to THB11.9 million Gain on Exchange in the same quarter last year.

Note:

The Group's financial numbers for 2004 were re-stated due to the fact that two Singapore subsidiaries had adopted functional currency reporting in Q404 and were required to re-state their 2004 quarterly financials. The change in accounting policy had the effect of decreasing the consolidated net earnings for the Q104 by THB91 million. All above-mentioned comparative numbers were based on the re-stated numbers.

Regional Container Lines Public Company Limited
13 May 2005



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN US\$

(million US\$)

	9 months 2003	Yearend 2003	1 st Quarter 2004 <i>(Restated)</i>	Half-Year 2004	9 months 2004	Yearend 2004	1 st Quarter 2005
Freight income	230.7	315.5	87.0	191.6	314.3	444.9	128.3
Cost of freight and operations (excl. depr)	(181.2)	(247.1)	(66.5)	(140.6)	(219.7)	(299.7)	(80.8)
Gross Profit	49.5	68.4	20.5	51.0	94.6	145.2	47.5
Gross Profit Margin	21.5%	21.7%	23.6%	26.6%	30.1%	32.6%	37.0%
Other income	5.0	7.2	0.8	1.7	2.6	3.6	1.0
Gain on exchange	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total other income	5.0	7.2	0.8	1.7	2.6	3.6	1.0
Admin expenses	(15.5)	(21.1)	(5.1)	(10.5)	(18.5)	(25.4)	(5.8)
Depreciation	(14.1)	(18.9)	(4.8)	(9.6)	(14.3)	(22.5)	(6.3)
Loss on exchange	(0.8)	(0.6)	(0.6)	(0.8)	(2.4)	(0.8)	(0.4)
Loss on sale of investments	0.0	0.0	(1.1)	(1.4)	(1.3)	(1.1)	0.0
Loss on impairment of fixed assets	0.0	(9.4)	0.0	0.0	0.0	(1.7)	0.0
Total other expenses	(30.4)	(50.0)	(11.6)	(22.3)	(36.5)	(51.5)	(12.5)
Interest expenses	(8.4)	(11.3)	(2.4)	(4.8)	(7.2)	(9.7)	(2.5)
Profit / (loss) before taxation	15.7	14.3	7.3	25.6	53.5	87.6	33.5
Income tax	(0.2)	(0.6)	0.0	(0.1)	(0.3)	(0.3)	0.0
Profit / (loss) after taxation	15.5	13.7	7.3	25.5	53.2	87.3	33.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit / (loss) attributable to members	15.5	13.7	7.3	25.5	53.2	87.3	33.5

COMPUTATION OF EBITDA

Profit / (loss) before taxation	15.7	14.3	7.3	25.6	53.5	87.6	33.5
Add: Impairment loss	0.0	9.4	0.0	0.0	0.0	1.7	0.0
Add: Interest	8.4	11.3	2.4	4.8	7.2	9.7	2.5
EBIT	24.1	35.0	9.7	30.4	60.7	99.0	36.0
Add: Amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Add: Depreciation	14.1	18.9	4.8	9.6	14.3	22.5	6.3
EBITDA	38.2	53.9	14.5	40.0	75.0	121.5	42.3

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
REPORT AND INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

Review Report of Independent Auditor

To The Board of Directors and Shareholders of
Regional Container Lines Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Regional Container Lines Public Company Limited and its subsidiaries as at 31 March 2005, and the consolidated statements of earnings, changes in shareholders' equity, and cash flows for the three-month periods ended 31 March 2005 and 2004, and the separate financial statements of Regional Container Lines Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

I conducted my reviews in accordance with the auditing standard applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Regional Container Lines Public Company Limited and its subsidiaries and the separate financial statements of Regional Container Lines Public Company Limited for the year ended 31 December 2004 in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements under my report dated 14 February 2005. The balance sheet as at 31 December 2004, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Vissuta Jariyathanakorn
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited
Bangkok: 28 April 2005

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY		
	<u>Note</u>	<u>31 March 2005</u> (Unaudited but reviewed)	<u>31 December 2004</u> (Audited)	<u>31 March 2005</u> (Unaudited but reviewed)	<u>December 2004</u> (Audited)
ASSETS					
Current assets					
Cash and cash equivalents		3,152,674	2,400,570	356,355	232,917
Trade accounts receivable		1,599,651	1,402,187	-	-
Less: allowance for doubtful debts		(2,165)	(38,346)	-	-
Trade accounts receivable, net	3	1,597,486	1,363,841	-	-
Trade accounts receivable - related party	3,6	140,053	109,428	901,992	1,766,299
Material supplies		189,426	173,439	8,891	4,656
Other current assets		198,502	186,770	13,077	9,876
Total current assets		5,278,141	4,234,048	1,280,315	2,013,748
Non-current assets					
Property investments held for long-term investments		2,009	2,012	-	-
Investments accounted for under equity method	4	169,740	156,092	7,485,999	6,437,277
Other long-term investments		37,175	37,135	-	-
Property and premises, net		1,947,558	1,952,937	19,635	20,202
Vessels and equipment, net		15,938,555	14,200,202	5,985,082	5,074,497
Other non-current assets		6,013	4,130	1,507	1,536
Total non-current assets		18,101,050	16,352,508	13,492,223	11,533,512
TOTAL ASSETS		23,379,191	20,586,556	14,772,538	13,547,260

The accompanying notes are an integral part of the financial statements.

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
BALANCE SHEETS (Continued)

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY		
	<u>Note</u>	31 March 2005	31 December 2004	31 March 2005	December 2004
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade accounts payable		1,196,895	1,067,605	-	-
Trade accounts payable - related par 6		-	-	79,661	17,068
Current portion of finance lease creditors		60,371	58,943	-	-
Current portion of long-term loans 5		1,132,773	1,030,890	-	47,188
Corporate income tax payable		8,236	7,837	-	-
Other current liabilities		204,597	226,394	44,459	49,425
Total current liabilities		<u>2,602,872</u>	<u>2,391,669</u>	<u>124,120</u>	<u>113,681</u>
Non-current liabilities					
Finance lease creditors, net of current portion		77,732	92,979	-	-
Long-term loans, net of current portic 5		6,044,657	4,781,449	-	117,970
Debentures, net of current portion		2,500,000	2,500,000	2,500,000	2,500,000
Total non-current liabilities		<u>8,622,389</u>	<u>7,374,428</u>	<u>2,500,000</u>	<u>2,617,970</u>
Total liabilities		<u>11,225,261</u>	<u>9,766,097</u>	<u>2,624,120</u>	<u>2,731,651</u>
Shareholders' equity					
Share capital					
Registered					
663,000,000 ordinary shares of Baht 1 ea		663,000	663,000	663,000	663,000
Issued and paid-up					
663,000,000 ordinary shares of Baht 1 ea		663,000	663,000	663,000	663,000
Share premium		3,073,190	3,073,190	3,073,190	3,073,190
Translation adjustment		1,961,336	1,930,243	1,961,336	1,930,243
Retained earnings					
Appropriated - statutory reserve		66,300	66,300	66,300	66,300
Unappropriated		6,384,592	5,082,876	6,384,592	5,082,876
Equity attributable to Company's shareholders		<u>12,148,418</u>	<u>10,815,609</u>	<u>12,148,418</u>	<u>10,815,609</u>
Minority interest - equity attributable to minority shareholders' of subsidiaries					
		5,512	4,850	-	-
Total shareholders' equity		<u>12,153,930</u>	<u>10,820,459</u>	<u>12,148,418</u>	<u>10,815,609</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EC		<u>23,379,191</u>	<u>20,586,556</u>	<u>14,772,538</u>	<u>13,547,260</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
EARNINGS STATEMENTS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues				
Freight income	4,962,150	3,423,708	521,738	295,966
Gain on exchange	-	11,926	-	-
Other income	30,495	21,653	915	1,637
Share of profit from investment accounted for under equity method - subsidiaries	-	-	1,009,751	289,040
Share of profit from investment accounted for under equity method - associated companies	7,878	9,359	7,878	9,359
Total revenues	<u>5,000,523</u>	<u>3,466,646</u>	<u>1,540,282</u>	<u>596,002</u>
Expenses				
Cost of freight and operation	3,343,992	2,782,317	167,851	139,430
Administrative expenses	229,574	206,924	31,632	28,287
Unrealised loss on changes in the value of investment	-	41,493	-	41,493
Loss on exchange	25,729	-	11,482	6,855
Directors' remuneration	1,550	1,250	1,550	1,250
Total expenses	<u>3,600,845</u>	<u>3,031,984</u>	<u>212,515</u>	<u>217,315</u>
Earnings before interest and income tax expenses	1,399,678	434,662	1,327,767	378,687
Interest expenses	(95,425)	(93,465)	(25,822)	(37,680)
Corporate income tax	(1,870)	(1,393)	(229)	(397)
Earnings after income tax	1,302,383	339,804	1,301,716	340,610
Net loss (earnings) - minority interest of subsidiaries	(667)	806	-	-
Net earnings for the period	<u>1,301,716</u>	<u>340,610</u>	<u>1,301,716</u>	<u>340,610</u>
				(Unit: Baht)
Basic earnings per share				
Net earnings	<u>1.96</u>	<u>0.51</u>	<u>1.96</u>	<u>0.51</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

(Unit: Thousand Baht)

	CONSOLIDATED							
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriated of investments	Inrealised gain or changes in the value	Minority interest of subsidiaries	Total
Balance - beginning of the year 2004	663,000	3,073,190	2,138,920	66,300	2,002,317	2,847	13,367	7,959,941
Translation adjustment	-	-	(40,263)	-	-	-	-	(40,263)
Net earnings for the period	-	-	-	-	340,610	-	-	340,610
Unrealised gain on changes in the value of inve:	-	-	-	-	-	1,825	-	1,825
Decrease in minority interest	-	-	-	-	-	-	(9,717)	(9,717)
Balance as at 31 March 2004	<u>663,000</u>	<u>3,073,190</u>	<u>2,098,657</u>	<u>66,300</u>	<u>2,342,927</u>	<u>4,672</u>	<u>3,650</u>	<u>8,252,396</u>
Balance - beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	-	4,850	10,820,459
Translation adjustment	-	-	31,093	-	-	-	-	31,093
Net earnings for the period	-	-	-	-	1,301,716	-	-	1,301,716
Increase in minority interest	-	-	-	-	-	-	662	662
Balance as at 31 March 2005	<u>663,000</u>	<u>3,073,190</u>	<u>1,961,336</u>	<u>66,300</u>	<u>6,384,592</u>	<u>-</u>	<u>5,512</u>	<u>12,153,930</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

(Unit : Thousand Baht)

	THE COMPANY ONLY						
	Issued and paid-up share capital	Share premium	Translation adjustment	Retained earnings Statutory reserve	Unappropriated of investments	Inrealised gain on changes in the value Total	
Balance - beginning of the year 2004	663,000	3,073,190	2,138,920	66,300	2,002,317	2,847	7,946,574
Translation adjustment	-	-	(40,263)	-	-	-	(40,263)
Net earnings for the period	-	-	-	-	340,610	-	340,610
Unrealised gain on changes in the value of investments	-	-	-	-	-	1,825	1,825
Balance as at 31 March 2004	<u>663,000</u>	<u>3,073,190</u>	<u>2,098,657</u>	<u>66,300</u>	<u>2,342,927</u>	<u>4,672</u>	<u>8,248,746</u>
Balance - beginning of the year 2005	663,000	3,073,190	1,930,243	66,300	5,082,876	-	10,815,609
Translation adjustment	-	-	31,093	-	-	-	31,093
Net earnings for the period	-	-	-	-	1,301,716	-	1,301,716
Balance as at 31 March 2005	<u>663,000</u>	<u>3,073,190</u>	<u>1,961,336</u>	<u>66,300</u>	<u>6,384,592</u>	<u>-</u>	<u>12,148,418</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

(Unit: Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Cash flows from operating activities				
Net earnings	1,301,716	340,610	1,301,716	340,610
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities: -				
Depreciation	226,685	169,152	77,170	63,868
Share of profit from investment accounted for under equity method - subsidiaries	-	-	(1,009,751)	(289,040)
Share of profit from investment accounted for under equity method - associated companies	(7,878)	(9,359)	(7,878)	(9,359)
Decrease in allowance for doubtful accounts	(36,181)	(297)	-	-
Unrealised loss on changes in the value of invest	-	41,493	-	41,493
Unrealised exchange (gain) loss	9,409	(11,977)	(6,165)	7,138
Minority interest	667	(806)	-	-
	<u>1,494,418</u>	<u>528,816</u>	<u>355,092</u>	<u>154,710</u>
Operating assets (increase) decrease				
Trade accounts receivable	(201,207)	(49,786)	-	-
Trade accounts receivable - related parties	(30,625)	(44,054)	870,782	(140,965)
Material supplies	(15,987)	19,351	(4,235)	320
Other current assets	(11,732)	100,552	(3,201)	(2,816)
Other assets	(1,966)	(326)	(54)	(10)
Operating liabilities increase (decrease)				
Trade accounts payable	129,290	(123,522)	-	-
Trade accounts payable - related party	-	-	62,366	292
Income tax payable	399	(2,378)	-	397
Other current liabilities	(21,802)	(13,987)	(4,966)	11,624
Net cash provided by operating activities	<u>1,340,788</u>	<u>414,666</u>	<u>1,275,784</u>	<u>23,552</u>

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Continued)

FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

(Unit: Thousand Baht)

	<u>CONSOLIDATED</u>		<u>THE COMPANY ONLY</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Cash flows from investing activities				
Increase in short-term investments in trading securities	-	(248,515)	-	(248,515)
Increase in property, premises, vessels and equipment	(1,959,659)	(348,964)	(987,188)	(160)
Translation adjustment	25,286	(40,011)	-	-
Net cash used in investing activities	<u>(1,934,373)</u>	<u>(637,490)</u>	<u>(987,188)</u>	<u>(248,675)</u>
Cash flows from financing activities				
Decrease in finance lease creditors	(13,819)	(39,055)	-	-
Increase (decrease) in long-term loans	1,359,508	(382,326)	(165,158)	(66,560)
Net cash provided by (used in) financing activities	<u>1,345,689</u>	<u>(421,381)</u>	<u>(165,158)</u>	<u>(66,560)</u>
Net increase (decrease) in cash and cash equivalents:	752,104	(644,205)	123,438	(291,683)
Cash and cash equivalents at beginning of period	2,400,570	1,927,004	232,917	334,589
Cash and cash equivalents at end of period	<u>3,152,674</u>	<u>1,282,799</u>	<u>356,355</u>	<u>42,906</u>
Supplemental cash flow information				
Cash paid during the period for				
Interest expenses	103,030	83,805	28,987	27,695
Corporate income tax	1,051	1,330	-	-
Non-cash transaction				
Unrealised gain on change in the value of investment	-	1,825	-	1,825

The accompanying notes are an integral part of the financial statements.

(UNAUDITED BUT REVIEWED)

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

1. GENERAL INFORMATION

1.1 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 41 "Interim financial statements", with the Company choosing to present condensed interim financial statements. However, additional line items are presented in the balance sheets, and the related statements of earnings, changes in shareholders' equity, and cash flows, as in the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

1.2 Basis of consolidation

These consolidated financial statements include the financial statements of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2004. There have been no changes in the composition of the Group during the current period except that a subsidiary company in Singapore established RCL Feeders Phils., Inc., in which it holds 100% of equity, in the Philippines, and a subsidiary company established Regional Merchant Maritime Limited, in which it holds 80 % of equity, in Hong Kong.

The consolidated financial statements for the three-month period ended 31 March 2005 include the financial statements of a subsidiary in the People's Republic of China. These financial statements were prepared by the management of the subsidiary, and have not been reviewed by its auditor. Assets of the subsidiary included as at 31 March 2005 amount to Baht 105 million (31 December 2004: Baht 106 million), and total revenues included for the three-month period then ended amount to Baht 22 million (31 March 2004: Baht 6 million).

1.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2004.

2. CHANGE IN ACCOUNTING ESTIMATION

During the current period, the Group decided to extend the depreciation policy adopted in the final quarter of 2004 for vessels over 20 years old to vessels that are less than 20 years old, commencing 1 January 2005. Under the revised policy, the estimated useful lives of vessels are changed from 20 years from purchase date to 25 years from construction date, and a lower residual value is assumed. This change in accounting estimation was made to better reflect the current condition and future economic benefits of the vessels. The effect of the change is to decrease net earnings of the three-month period ended 31 March 2005 by Baht 9.7 million in the separate financial statements of the Company and by Baht 26.7 million in the consolidated financial statements.

3. TRADE ACCOUNTS RECEIVABLE/TRADE ACCOUNTS RECEIVABLE - RELATED PARTIES

The balances of trade accounts receivable in the consolidated financial statements are classified by aging as follows:

	(Unit: Thousand Baht)	
	CONSOLIDATED	
	31 March 2005	31 December 2004
Under 90 days	1,571,608	1,388,680
91 - 180 days	27,625	13,089
Over 181 days	418	418
Total	1,599,651	1,402,187
Less: Allowance for doubtful accounts	(2,165)	(38,346)
Net	1,597,486	1,363,841

A part of the trade accounts receivable of subsidiaries as at 31 March 2005 and 31 December 2004 have been pledged to secure credit facilities granted by banks.

(UNAUDITED BUT REVIEWED)

The balances of trade accounts receivable - related parties are classified by aging as follows:

(Unit: Thousand Baht)

	CONSOLIDATED		THE COMPANY ONLY	
	31 March 2005	31 December 2004	31 March 2005	31 December 2004
Under 90 days	140,053	109,428	527,560	301,788
91 - 180 days	-	-	102,199	301,655
181 - 365 days	-	-	194,337	591,576
Over 365 days	-	-	77,896	571,280
Total	<u>140,053</u>	<u>109,428</u>	<u>901,992</u>	<u>1,766,299</u>

4. INVESTMENTS ACCOUNTED FOR UNDER EQUITY METHODTHE COMPANY ONLY

(Unit: Million Baht)

Company's name	Share capital issued		Percentage directly		Investment			
	and fully paid		owned by the		Cost method		Equity method	
	31 March 2005	31 December 2004	31 March 2005	31 December 2004	31 March 2005	31 December 2004	31 March 2005	31 December 2004
				Percent	Percent			
<u>Investments in subsidiaries</u>								
<u>Subsidiaries operating in Thailand</u>								
a) Asian Bulk Shipping Co., Ltd.	Baht 25 Million	Baht 25 Million	51	51	13	13	2	2
b) RCL Logistics Co., Ltd.	Baht 1 Million	Baht 1 Million	100	100	1	1	31	29
<u>Subsidiaries operating in Singapore</u>								
c) RCL Investment Pte. Ltd.	S\$ 10 Million	S\$ 10 Million	100	100	145	145	(1,025)	(1,093)
d) Regional Container Lines Pte Ltd.	S\$ 42.5 Million	S\$ 42.5 Million	85	85	1,173	1,173	4,277	3,969
e) RCL Feeder Pte Ltd.	S\$ 20.5 Million	S\$ 20.5 Million	98	98	430	430	3,708	3,052
f) RCL Service SA	USD 10,000	USD 10,000	49	49	2	2	40	39
g) RCL Holdings Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	108	108	143	144
h) RCL Ship Management Pte. Ltd.	S\$ 0.3 Million	S\$ 0.3 Million	49	49	54	54	9	7
<u>Subsidiary operating in Hong Kong</u>								
i) Regional Container Lines (H.K.) Ltd.	HK\$ 4 Million	HK\$ 4 Million	100	100	132	132	84	76

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

Company's name	Share capital issued and fully paid		Percentage directly owned by the Company		Investment			
	31 March 2005	31 December 2004	31 March 2005	31 December 2004	Cost method		Equity method	
			Percent	Percent	31 March 2005	31 December 2004	31 March 2005	31 December 2004
<u>Subsidiary operating in the People's Republic of China</u>								
j) Regional Container Lines Shipping Co.,Ltd.	USD 1.24 Million	USD 1.24 Million	100	100	68	68	63	66
Total investments in subsidiaries					2,126	2,126	7,332	6,291
<u>Investment in associated company</u>								
<u>Associated company operating in Thailand</u>								
k) TIPS Co., Ltd. (Port operating)	Baht Million	1(Baht Million	10	20	20	20	154	146
Total investment in associated company					20	20	154	146
Total investments accounted for under equity method					2,146	2,146	7,486	6,437

The accumulated share of the profit of the associated company, as at 31 March 2005, is calculated based on the financial statements of the associated company, which is unreviewed by that company's auditor.

CONSOLIDATED

(Unit: Thousand Baht)

	31 March 2005	31 December 2004
The Company's investment in associated company	153,803	145,925
The subsidiaries' investments in associated companies	15,937	10,167
Total investments accounted for under equity method	169,740	156,092

5. LONG-TERM LOANS

During the current period, a subsidiary company in Singapore loaned a total of USD 48 million, or approximately Baht 1,880 million, from several banks. The loans are repayable quarterly until the year 2015 with interest rates based on LIBOR or SIBOR.

The long-term loans have been secured by the mortgage of most of the vessels of the Company and the subsidiaries, and the property of the subsidiaries, and are guaranteed by the Company.

As at 31 March 2005, a subsidiary in Singapore has period-by-period knock out swap and fixed interest rate swap agreements for loans amounting to USD 49 million (31 December 2004: USD 60 million), to exchange fixed interest rates to an interest rate of LIBOR per annum.

6. RELATED PARTY TRANSACTIONS

- a) The Company and its subsidiaries have business dealings with their customers through regional shipping agents (third parties and related companies) of which a substantial part is through their related companies. Such transactions have been determined in the ordinary course of business.
- b) In addition to the matter discussed in a), during the periods, the Company had other significant business transactions with its subsidiary company and related parties (related by way of shareholding or common shareholders and/or common directors). The transactions are summarised below:

	(Unit: Million Baht)				Pricing policy
	For the three-month periods ended 31 March 2005 and 2004				
	Consolidated		The Company Only		
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	
<u>Transactions with subsidiary</u>					
Charter freight income	-	-	522	295	Cost plus a margin or at price comparable to cost
<u>Transactions with related parties</u>					
Commission expenses	32	22	-	-	A price approximating market price
Terminal operating services	12	8	-	-	A price approximating tariff
Rental expenses	1	1	1	1	Rental agreement

(UNAUDITED BUT REVIEWED)

The outstanding balances of the above transactions have been presented in the balance sheets as follows:

	CONSOLIDATED		(Unit: Million Baht) THE COMPANY ONLY	
	31 March 2005	31 December 2004	31 March 2005	31 December 2004
<u>Trade accounts receivable - related parties</u>				
<u>Subsidiary</u>				
RCL Feeder Pte Ltd.	-	-	902	1,766
<u>Related companies</u>				
Ngow Hock Co., Ltd.	123	85	-	-
Songkhla Shipping Agency Co., Ltd.	17	24	-	-
	<u>140</u>	<u>109</u>	<u>902</u>	<u>1,766</u>
<u>Trade accounts payable - related party</u>				
<u>Subsidiary</u>				
RCL Ship Management Pte Ltd.	-	-	80	17
	<u>-</u>	<u>-</u>	<u>80</u>	<u>17</u>

7. SUBSEQUENT EVENT

On 29 April 2005, the annual general meeting of the Company's shareholders approved the payment of the dividend of Baht 1.55 per share to the shareholders, or a total of Baht 1,027.65 million, which will be recorded in the next quarter.

8. COMMITMENT

8.1 Commitments

- (a) As at 31 March 2005, the Company had outstanding commitments of approximately Baht 13 million (31 December 2004: Baht 14 million) in respect of lease agreements, and a subsidiary company in Singapore had outstanding commitments of approximately Baht 4,958 million (31 December 2004: Baht 5,207 million) in respect of the following agreements.

Payment period	(Unit: Million Baht)			
	Rental	Charter hire	Container lease	Total
Within one year	26	1,935	172	2,133
During two to five years	23	1,811	689	2,523
Over five years	-	-	302	302
Total	<u>49</u>	<u>3,746</u>	<u>1,163</u>	<u>4,958</u>

(b) As at 31 March 2005, the Company had the commitment amounting to USD 22 million, or approximately Baht 881 million (31 December 2004: USD 48 million or approximately Baht 1,882 million), in respect of the building of one vessel (31 December 2004: two vessels). Furthermore, a Singaporean subsidiary had the commitments amounting to USD 62 million, or approximately Baht 2,434 million (31 December 2004: USD 86 million or approximately Baht 3,381 million), in respect of the building of three vessels (31 December 2004: four vessels). These amounts are to be paid within 2005.

(c) As at 31 March 2005, the subsidiaries in Singapore had the commitment amounting to USD 0.5 million, or approximately Baht 19 million in respect of the purchasing assets.

8.2 Guarantees

As at 31 March 2005, the Company had outstanding guarantees of Baht 15,648 million (31 December 2004: Baht 15,632 million), which had been issued to secure credit lines of the overseas subsidiaries from financial institutions.

8.3 Bank Guarantees

As at 31 March 2005, there were outstanding bank guarantees of approximately Baht 1 million (31 December 2004: Baht 2 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiaries.

8.4 Litigation

In June 2000, a subsidiary in Singapore filed a petition to wind up an associated company in Malaysia and another petition to recover an outstanding agency balance of approximately RM 25 million or Baht 264 million. The case is under consideration of the court.

In June 2000, the subsidiary was counter-sued by the associated company, claiming compensation of approximately RM 14 million or Baht 148 million, for illegal termination of an agency agreement. The management of subsidiary believe that the ultimate resolution of these legal proceedings is not likely to have a material effect on the results of its operations, or financial position.

(UNAUDITED BUT REVIEWED)

9. FINANCIAL INFORMATION BY SEGMENT

The Company's and its subsidiaries' operations involve mainly a single industry segment, the business of feeder and vessel operations, and are carried on in geographic area in Thailand, Singapore, Hong Kong, The People's Republic of China, Taiwan and other countries around the South China Sea. Financial information of the Company and its subsidiaries presented by geographical segment are as follows:

(Unit: Million Baht)

	CONSOLIDATED						
	For the three-month period ended 31 March 2005						
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Freight income	583	5,539	31	47	6,200	(1,238)	4,962
Gross profit	360	1,183	27	31	1,601	17	1,618
Other income							31
Share of profit from investments accounted for under equity method - associated companies							8
Administrative expenses							(231)
Loss on exchange							(26)
Interest expenses							(95)
Corporate income tax							(2)
Minority interest							(1)
Net earnings for the period							1,302
Property, premises, vessels and equipment	6,007	11,844	69	11	17,931	(45)	17,886
Others							5,493
Total assets							23,379

	CONSOLIDATED						
	For the three-month period ended 31 March 2004						
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Freight income	324	3,718	29	20	4,091	(667)	3,424
Gross profit	162	431	23	20	636	6	642
Gain on exchange							12
Other income							21
Share of profit from investments accounted for under equity method - associated companies							9
Administrative expenses							(208)
Unrealised loss on changes in the value of investments							(41)
Interest expenses							(94)
Corporate income tax							(1)
Minority interest							1
Net earnings for the period							341

(UNAUDITED BUT REVIEWED)

(Unit: Million Baht)

	CONSOLIDATED						
	As at 31 December 2004						
	<u>Thailand</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>China</u>	<u>Total</u>	<u>Elimination</u>	<u>Grand Total</u>
Property, premises, vessels and equipment	<u>5,097</u>	<u>11,021</u>	<u>69</u>	<u>12</u>	<u>16,199</u>	<u>(46)</u>	<u>16,153</u>
Others							<u>4,434</u>
Total assets							<u>20,587</u>

10. FINANCIAL INSTRUMENTS

As at 31 March 2005, a subsidiary in Singapore has entered into forward exchange contracts to trade a total of USD 10 million at exchange rates between Baht 38.43 and Baht 39.17 per USD 1 and SGD 1.6455 and SGD 1.6468 per USD 1, due between April 2005 and June 2005.

11. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the directors of the Company.



REGIONAL CONTAINER LINES GROUP

QUARTERLY EARNING STATEMENTS IN THAI BAHT

(million baht)

	9 months 2003	Yearend 2003 (Restated)	1 st Quarter 2004 (Restated)	Half-Year 2004	9 months 2004	Yearend 2004	1 st Quarter 2005
Freight income	9,693.1	13,082.1	3,423.7	7,648.0	12,712.1	17,933.0	4,962.2
Cost of freight and operations (excl. depr)	(7,615.6)	(10,245.2)	(2,620.4)	(5,613.5)	(8,887.7)	(12,082.9)	(3,125.9)
Gross Profit	2,077.5	2,836.9	803.3	2,034.5	3,824.4	5,850.1	1,836.3
Gross Profit Margin	21.4%	21.7%	23.5%	26.6%	30.1%	32.6%	37.0%
Other income	209.0	297.9	31.0	66.1	106.2	145.3	38.3
Gain on exchange	0.0	0.0	11.9	0.0	18.7	33.7	0.0
Total other income	209.0	297.9	42.9	66.1	124.9	179.0	38.3
Admin expenses	(649.1)	(876.1)	(200.8)	(419.3)	(747.8)	(1,021.4)	(222.5)
Depreciation	(472.0)	(692.5)	(169.2)	(316.9)	(475.4)	(823.2)	(226.7)
Loss on exchange	(142.7)	(110.8)	0.0	(24.4)	0.0	0.0	(25.7)
Loss on sale of investments	0.0	0.0	(41.5)	(53.8)	(52.6)	(44.0)	0.0
Loss on impairment of fixed assets	0.0	(331.0)	0.0	0.0	0.0	(58.0)	0.0
Total other expenses	(1,263.8)	(2,010.4)	(411.5)	(814.4)	(1,275.8)	(1,946.6)	(474.9)
Interest expenses	(352.5)	(469.5)	(93.4)	(190.8)	(292.2)	(390.9)	(95.4)
Profit / (loss) before taxation	670.2	654.9	341.3	1,095.4	2,381.3	3,691.6	1,304.3
Income tax	(7.3)	(23.2)	(1.4)	(4.0)	(12.2)	(13.9)	(1.9)
Profit / (loss) after taxation	662.9	631.7	339.9	1,091.4	2,369.1	3,677.7	1,302.4
Minority interest	0.6	0.9	0.8	0.4	0.1	(0.4)	(0.7)
Net profit / (loss) attributable to members	663.5	632.6	340.7	1,091.8	2,369.2	3,677.3	1,301.7

COMPUTATION OF EBITDA

Profit / (loss) before taxation	670.2	654.9	341.3	1,095.4	2,381.3	3,691.6	1,304.3
Add: Impairment loss	0.0	331.0	0.0	0.0	0.0	58.0	0.0
Add: Interest	352.5	469.5	93.4	190.8	292.2	390.9	95.4
EBIT	1,022.7	1,455.4	434.7	1,286.2	2,673.5	4,140.5	1,399.7
Add: Amortisation	0.0	0.0	0.2	0.5	0.8	1.5	0.3
Add: Depreciation	472.0	692.5	169.2	316.9	475.4	823.2	226.7
EBITDA	1,494.7	2,147.9	604.1	1,603.6	3,149.7	4,965.2	1,626.7

10 May 2005

The Board of Directors
Regional Container Lines Public Company Limited
30th Floor, Panjathani Tower
127/35 Ratchadapisek Road
Yannawa District
BANGKOK 10120

Dear Sirs,

Consolidated financial statements in United States Dollars

As requested, we have obtained from the management the consolidated balance sheets as at 31 March 2005 and 31 December 2004, and the statements of earnings and retained earnings for the three-month periods ended 31 March 2005 and 2004 of Regional Container Lines Public Company Limited and its subsidiaries ("the Group") in United States Dollars ("USD") and performed the following procedures as agreed upon: -

- (i) We obtained management's basis in determining exchange rates applied in the translation of financial information.
- (ii) We recomputed the translation of financial information into USD.
- (iii) We checked the casting and extension of the translated USD financial information in the statements.

The above procedures do not constitute either an audit or a review in accordance with Thai generally accepted auditing standards and the basis of translation is not necessarily in compliance with Thai generally accepted accounting principles. We therefore cannot give any assurance on the basis of these procedures.

The above procedures were performed solely to assist you in the preparation of the financial information in USD for presentation to your bankers for the purpose of their facilities review, and are not to be referred to for any other purposes or distributed to any other parties without our prior consent.

Yours faithfully,
ERNST & YOUNG OFFICE LIMITED

Vissuta Jariyathanakorn
Certified Public Accountant

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	31 March 2005		31 December 2004	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
ASSETS				
Current assets				
Cash and cash equivalents	3,152.7	80.5	2,400.6	61.4
Trade accounts receivable, net	1,597.5	40.8	1,363.8	34.9
Trade accounts receivable - related parties	140.0	3.6	109.4	2.8
Other current assets	387.9	9.9	360.2	9.2
Total current assets	<u>5,278.1</u>	<u>134.8</u>	<u>4,234.0</u>	<u>108.3</u>
Non-current assets				
Property and premises, net	1,947.6	54.9	1,952.9	55.0
Vessels and equipment, net	15,938.6	438.0	14,200.2	393.8
Other non-current assets	214.9	6.2	199.4	5.7
Total non-current assets	<u>18,101.1</u>	<u>499.1</u>	<u>16,352.5</u>	<u>454.5</u>
TOTAL ASSETS	<u><u>23,379.2</u></u>	<u><u>633.9</u></u>	<u><u>20,586.5</u></u>	<u><u>562.8</u></u>

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS (Continued)

	31 March 2005		31 December 2004	
	Million	Million	Million	Million
	Baht	USD	Baht	USD
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Trade accounts payable	1,196.9	30.6	1,067.6	27.3
Current portion of finance lease creditors	60.4	1.5	58.9	1.5
Current portion of long-term loans	1,132.8	28.9	1,030.9	26.4
Other current liabilities	212.8	5.4	234.2	6.0
Total current liabilities	2,602.9	66.4	2,391.6	61.2
Non-current liabilities				
Finance lease creditors, net of current portion	77.7	2.0	93.0	2.4
Long-term loans, net of current portion	6,044.7	154.4	4,781.5	122.3
Debentures, net of current portion	2,500.0	63.8	2,500.0	63.9
Total non-current liabilities	8,622.4	220.2	7,374.5	188.6
Total liabilities	11,225.3	286.6	9,766.1	249.8
Shareholders' equity				
Share capital				
Issued and fully paid				
663,000,000 ordinary shares of Baht 1 each	663.0	20.6	663.0	20.6
Share premium	3,073.2	113.7	3,073.2	113.7
Translation adjustment	1,961.3	(7.7)	1,930.2	(8.5)
Retained earnings				
Appropriated - statutory reserve	66.3	1.9	66.3	1.9
Unappropriated	6,384.6	218.7	5,082.9	185.2
Equity attributable to Company's shareholders	12,148.4	347.2	10,815.6	312.9
Minority interest - equity attributable				
to minority shareholders of subsidiaries	5.5	0.1	4.8	0.1
Total shareholders' equity	12,153.9	347.3	10,820.4	313.0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	23,379.2	633.9	20,586.5	562.8

See Basis of Preparation

REGIONAL CONTAINER LINES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF EARNINGS AND RETAINED EARNINGS
FOR THE THREE-MONTH PERIODS ENDED 31 MARCH 2005 AND 2004

	<u>2005</u> Million Baht	<u>2005</u> Million USD	<u>2004</u> Million Baht	<u>2004</u> Million USD
EARNINGS				
Revenues				
Freight income	4,962.2	128.3	3,423.7	87.0
Gain on exchange	-	-	11.9	-
Other income	38.3	1.0	31.0	0.8
Total revenues	<u>5,000.5</u>	<u>129.3</u>	<u>3,466.6</u>	<u>87.8</u>
Expenses				
Cost of freight and operations	3,125.9	80.8	2,620.4	66.5
Depreciation	226.7	6.3	169.2	4.8
Administrative expenses	222.5	5.8	200.8	5.1
Unrealised loss on changes in the value of investments	-	-	41.5	1.1
Loss on exchange	25.7	0.4	-	0.6
Total expenses	<u>3,600.8</u>	<u>93.3</u>	<u>3,031.9</u>	<u>78.1</u>
Earnings before interest and income tax expenses	1,399.7	36.0	434.7	9.7
Interest expenses	(95.4)	(2.5)	(93.4)	(2.4)
Corporate income tax	(1.9)	-	(1.4)	-
Earnings after income tax	<u>1,302.4</u>	<u>33.5</u>	<u>339.9</u>	<u>7.3</u>
Net loss - minority interest	(0.7)	-	0.8	-
Net earnings for the period	<u><u>1,301.7</u></u>	<u><u>33.5</u></u>	<u><u>340.7</u></u>	<u><u>7.3</u></u>
RETAINED EARNINGS				
Retained earnings - unappropriated				
Balance - beginning of period	5,082.9	185.2	2,002.3	112.5
Net earnings for the period	1,301.7	33.5	340.7	7.3
Total retained earnings - unappropriated	<u>6,384.6</u>	<u>218.7</u>	<u>2,343.0</u>	<u>119.8</u>
Retained earnings - appropriated				
Statutory reserve	66.3	1.9	66.3	1.9
Total retained earnings - appropriated	<u>66.3</u>	<u>1.9</u>	<u>66.3</u>	<u>1.9</u>
Total retained earnings	<u><u>6,450.9</u></u>	<u><u>220.6</u></u>	<u><u>2,409.3</u></u>	<u><u>121.7</u></u>

See Basis of Preparation

BASIS OF PREPARATION

1. THAI BAHT FIGURES

The Thai Baht figures in the balance sheets as at 31 March 2005 and profit and loss accounts for the three-month periods ended 31 March 2005 and 2004 were extracted from the reviewed consolidated financial statements. The Thai Baht figures in the balance sheet as at 31 December 2004 were extracted from the audited consolidated financial statements. The consolidated financial statements included the financial statements of Regional Container Lines Public Company Limited (hereinafter called "the Company") and its subsidiaries in Thailand, Singapore, Hong Kong and the People's Republic of China.

For consolidation purposes, foreign currency financial statements of the subsidiaries were translated into Thai Baht at the closing exchange rates as to assets and liabilities, and at the average rates as to revenues and expenses. The resultant difference has been presented under the caption of "Translation adjustment" in the shareholders' equity.

2. USD FIGURES

2.1 The USD figures in the consolidated balance sheets were determined by translating the Thai Baht consolidated balance sheets of the Group (except for the two subsidiaries in Singapore, of which the functional reporting currency is USD) using the following exchange rates:

a) For assets and liabilities, we used the following approximate rates: -

As of 31 March 2005 : USD 1 = Baht 39.1599

As of 31 December 2004 : USD 1 = Baht 39.1086

b) The approximate rates as of 1 January 1997 were used for brought-forward balances of share capital, share premium, investments, property, vessels and equipment: -

For the Company and its Thailand subsidiary

USD 1 = Baht 25.5850

For its Singapore subsidiaries

USD 1 = SGD 1.4020

For its Hong Kong subsidiaries

USD 1 = HKD 7.7296

- c) Approximate rates as at the transaction dates were used for additional share capital, share premium, property, vessels and equipment, and disposals of vessels and equipment.

Any differences have been included in "Translation adjustment".

- 2.2 The USD figures in the consolidated profit and loss accounts were determined by translating the Thai Baht consolidated profit and loss accounts of the Group (except for the two subsidiaries in Singapore, of which the functional reporting currency is USD) using the average exchange rates, which were as follows:

31 March 2005 : USD 1 = Baht 38.6792

31 March 2004 : USD 1 = Baht 39.3548